

PUBLIC SERVICE COMMISSION OF WISCONSIN**Quadrennial Planning Process II****Docket No. 5-FE-100**

**COMMENTS OF CHICAGO BRIDGE & IRON, CONTRACTED AS FOCUS ON ENERGY
PROGRAM ADMINISTRATOR**

Chicago Bridge & Iron, in its capacity as Focus on Energy Program Administrator, appreciates the opportunity to submit comments to the Public Service Commission of Wisconsin (PSCW).

From our experience as Focus on Energy Program Administrator from 2011 through the present, we believe the following discussion points would be valuable for consideration in the scope of the second Quadrennial Planning Process.

Overall or Combined Energy Savings Goal

The Program Administrator suggests that the Commission discuss the inclusion of an overall energy savings goal incorporating both natural gas and electricity savings, for the Focus on Energy program. Such a goal would be set on a kBTU basis, and allow the Focus on Energy Program Administrator, in consultation with PSCW staff, to adapt quickly and efficiently to market factors and remain as cost-effective as possible with the use of Wisconsin rate-payer dollars. For example, if natural gas prices remain relatively low, the Program Administrator would have the flexibility to achieve a greater proportion of contracted energy savings on the electricity side. Such an overall goal could be developed with fuel type minimums to ensure that attention to both electricity and natural gas savings remain a core component within Focus on Energy planning.

Renewable Energy

In 2012, the Commission approved a set of guidelines for the inclusion of renewable energy incentive options in the Focus on Energy portfolio of programs. One of the points of the order determined that limits on Focus on Energy renewable incentives would be determined based upon the dollar value of project incentives actually paid out during each calendar year. The Program Administrator believes the present Quadrennial Planning Process would benefit from the discussion of whether Focus on Energy renewable energy incentive limitations should be on the basis of dollars allocated in a given calendar year, and not on incentive dollars paid out. Such a change would likely remain consistent with the spirit of the Commission's 2012 decision, while also allowing the Program Administrator to control for the often unpredictable pace of renewable energy project construction.

Automatic Carry-Over

The Program Administrator endeavors to spend the full amount of the Focus on Energy budget each year through offering cost-effective energy efficiency energy efficiency and renewable energy programs and information to Wisconsin rate-payers. Achieving this may or may not be independent of the achievement of annual energy savings targets working to four year goals. In the event, however, that budgeted dollars remain unspent at the end of a calendar year, the Program Administrator suggests that the Commission consider whether these dollars should automatically roll over to be included in the Focus on Energy budget for the next calendar year, provided that the years occur within the same Quadrennial Plan period. The authority for the automatic carry-over of funds could be capped at a maximum level. An automatic carry over provides both greater certainty and predictability in serving Focus on Energy customers and delivering energy efficiency and helps to ensure that the calendar does not arbitrarily control the cost-effectiveness of the unspent funds.

Pilots/Behavioral Programs

The Program Administrator supports the decision of the Commission in the first Quadrennial Planning Process to evaluate energy savings from a lifecycle perspective. However, the lifecycle framework does

impact the ability of the Program Administrator to design pilots and explore other initiatives, including behavioral change programs, which have demonstrated energy savings potential on an annual basis but not yet proven savings over an extended period. Carefully designed pilot programs have the potential to be scalable and drive energy savings in Wisconsin, as they have in other states. The Program Administrator thus would encourage the Commission to consider the value of setting aside a small portion of the annual Focus on Energy budget to pursue such pilots, the success of which would be determined based on factors other than lifecycle savings.

The Program Administrator looks forward to the deliberations and decisions of the Commission, and to the next Quadrennial period for Focus on Energy. We have every expectation that Focus on Energy will continue as a national leader in energy efficiency and renewable energy, working with the Commission, SEERA, all participating Wisconsin utilities, and stakeholders in the energy efficiency and renewable energy community in to ensure that all eligible rate-payers save as much energy as possible, with the greatest satisfaction possible.